

**AMENDMENT TO H.R. 627, AS REPORTED  
OFFERED BY MS. SLAUGHTER OF NEW YORK**

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In that portion of section 7 that precedes the amendment adding a new paragraph (8), strike “paragraph” and insert “paragraphs”.

At the end of the paragraph (8) added by the amendment made by section 7, strike the closing quotation marks and the 2nd period.

After paragraph (8) of section 127(c) of the Truth in Lending Act (as added by the amendment made by section 7), insert the following new paragraph:

1           “(9) PROVISIONS APPLICABLE WITH REGARD  
2           TO THE ISSUANCE OF CREDIT CARDS TO FULL-TIME,  
3           TRADITIONAL-AGED COLLEGE STUDENTS.—

4                   “(A) DEFINITIONS.—For purposes of this  
5           paragraph, the following definitions shall apply:

6                           “(i) COLLEGE STUDENT CREDIT CARD  
7                   ACCOUNT DEFINED.—The term ‘college  
8                   student credit card account’ means a credit  
9                   card account under an open end consumer

1 credit plan established or maintained for or  
2 on behalf of any college student.

3 “(ii) COLLEGE STUDENT.—The term  
4 ‘college student’ means an individual—

5 “(I) who is a full-time student  
6 attending an institution of higher edu-  
7 cation; and

8 “(II) who has attained the age of  
9 18 and has not yet attained the age of  
10 21.

11 “(iii) INSTITUTION OF HIGHER EDU-  
12 CATION.—The term ‘institution of higher  
13 education’ has the same meaning as in sec-  
14 tion 101(a) of the Higher Education Act of  
15 1965 (20 U.S.C. 1001(a)).

16 “(B) MAXIMUM AMOUNT LIMITATION AS A  
17 PERCENTAGE OF GROSS INCOME.—Unless a  
18 parent, legal guardian, or spouse of a college  
19 student assumes joint liability for debts in-  
20 curred by the student in connection with a col-  
21 lege student credit card account—

22 “(i) the amount of credit which may  
23 be extended by any one creditor to the full-  
24 time college student may not exceed, dur-  
25 ing any full calendar year, the greater of—

1                   “(I) 20 percent of the annual  
2                   gross income of the student; or

3                   “(II) \$500; and

4                   “(ii) no creditor shall grant a student  
5                   a credit card account, if the credit limit for  
6                   that credit card account, combined with  
7                   the credit limits of any other credit card  
8                   accounts held by the student, would exceed  
9                   30 percent of the annual gross income of  
10                  the student in the most recently completed  
11                  calendar year.

12                  “(C) PARENTAL APPROVAL REQUIRED TO  
13                  INCREASE CREDIT LINES FOR ACCOUNTS FOR  
14                  WHICH PARENT IS JOINTLY LIABLE.—No in-  
15                  crease may be made in the amount of credit au-  
16                  thorized to be extended under a college student  
17                  credit card account for which a parent, legal  
18                  guardian, or spouse of the consumer has as-  
19                  sumed joint liability for debts incurred by the  
20                  consumer in connection with the account, before  
21                  the consumer attains the age of 21, with re-  
22                  spect to such consumer, unless the parent,  
23                  guardian, or spouse of the consumer, as appli-  
24                  cable, approves in writing, and assumes joint li-  
25                  ability for, such increase.

1           “(D) INCOME VERIFICATION.—For pur-  
2           poses of this paragraph, a creditor shall require  
3           adequate proof of income, income history, and  
4           credit history, subject to the rules of the Board,  
5           before any college student credit card account  
6           may be opened by or on behalf of a student.

7           “(E) PROHIBITION ON MORE THAN 1  
8           CREDIT CARD ACCOUNT FOR ANY COLLEGE  
9           STUDENT.—No creditor may open a credit card  
10          account for, or issue any credit card to, any col-  
11          lege student who—

12                 “(i) has no verifiable annual gross in-  
13                 come; and

14                 “(ii) already maintains a credit card  
15                 account under an open end consumer cred-  
16                 it plan with that creditor, or any affiliate  
17                 thereof.

18          “(F) EXEMPTION AUTHORITY.—The  
19          Board may, by rule, provide for exemptions to  
20          the provisions of this paragraph, as deemed  
21          necessary or appropriate by the Board, con-  
22          sistent with the purposes of this paragraph.”.

